



Charitable Gaming

HIGHLIGHTS

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Electronic Bingo Comes to Michigan

The Charitable Gaming Division recently initiated a test project of electronic bingo minders in the Greater Lansing area. Electronic bingo minders are hand-held computers that keep track of electronic bingo cards. Nearly 30 states allow some form of electronic bingo. Many states report that electronic bingo results in increased revenue for charitable organizations as well as diversification of the player base. Another advantage is that electronic bingo makes the game easier for senior citizens and disabled players.



Many Lansing area organizations began using the electronic bingo equipment in May, with the test expected to continue through the end of 2002. The bureau will write directives for electronic bingo using the experience gathered from the test.

Our goal is to authorize electronic bingo statewide at some point in the future. We are closely monitoring the results of the test and will update you in the next issue of HIGHLIGHT\$.

Visit our Web site at:

www.michigan.gov/cg



DEPUTY COMMISSIONER'S CORNER

Michael G. Petersen, Deputy Commissioner

While technology can sometimes be frustrating, it can also be a wonderful thing. Since bingo games started, they have been played on cards that players have had to manually mark. Just imagine how easy and exciting it would be to be able to play bingo using a hand-held computer that keeps track of several different bingo cards at the same time. Just a dream? Not necessarily.

In an article on the front page of this publication, you read about a test project we are conducting in the Greater Lansing area using bingo minders. These devices are small portable computers that contain bingo cards. When a ball is called during a bingo game, the player can then enter the ball number and the computer will keep track of all the ball numbers entered. When a winning bingo combination is detected, the computer will alert the player with an audible signal.

Test projects like this one allow us to gain experience working with new products, processes, and vendors; receive feedback from players and licensees; and to see practical use of the rules we draft before implementing them statewide.

We are very excited about the possibility of offering new electronic bingo cards. If the testing of this concept is successful, we hope to take it statewide in the future. As always, we strive to stay on the cutting edge of the charitable gaming industry to ensure that your bingo games are more fun to play and more attractive and interesting to new players.



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Pre-filled Financial Statements

In an effort to reduce the amount of information you need to complete on your financial statement, we are now providing you with statements that have pre-filled areas, such as organization ID and license ID numbers.

One-time events

One-time events are licensed special bingos, raffles, millionaire parties, special charity game tickets, and numeral games. When you receive your license packet for a one-time event, you will find a pre-filled financial statement. This statement should only be used for the license number printed in the upper right corner.

Large or Small Bingo Financial Statements

A mailing of Large or Small Bingo Financial Statements was sent to all licensees in May 2002. The reporting periods are pre-filled on each form, so pay close attention to these dates when completing your financial

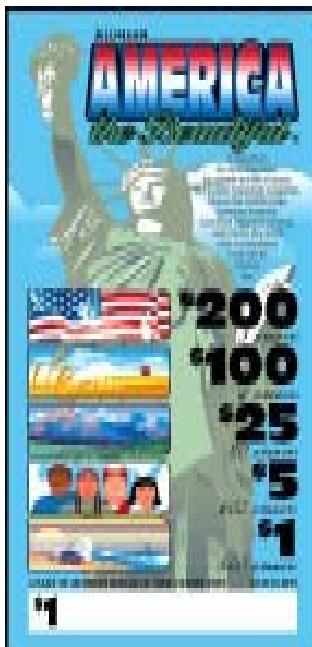
statements. Beginning with the license year 2003, you will receive these forms in your license packet.

If your organization has multiple bingo licenses, please ensure that you are submitting your financial information on the correct form.

Annual Charity Game Ticket Financial Statements

Beginning with license year 2002, you will receive your pre-filled Charity Game Ticket Financial Statements in your license packet. The reporting periods are pre-filled on each form, so pay close attention to these dates when completing your financial statements.

If you misplace your pre-filled financial statement, blank forms are available on our Web site at www.michigan.gov/cg or you may call our forms request line at 517.241.7889.



America the Beautiful

Lady Liberty boldly presents the latest charity game ticket-- America the Beautiful. This ticket represents American pride and reminds us of our country's beauty.

At 3,600 tickets per box, this game has more tickets than any other game in Michigan. Prizes include five \$200 winners and two \$100 winners. Tickets cost \$1 each.

Contact your supplier to purchase these tickets.

Making a Difference

The members of the **Fred E. Williams VFW Post #3055** in St. Louis used their bingo proceeds to make a significant difference in their community. For the past year alone, they have contributed to dozens of programs in their area. Here are just a few examples of their generosity:

- \$10,000 to St. Louis Public School to remodel the athletic field press box
- \$4,000 to the St. Louis Fire Department to help in the cost of a defibrillator
- \$2,700 to the Michigan State Police for a portable defibrillator
- \$1,000 to send seven kids to Camp Trotter
- \$1,000 to the Mid-Michigan Community Fire Department
- \$750 to Salvation Army for three families for Christmas
- \$500 to the Commission on Aging



The VFW Bingo crew pictured above (from left to right) are: Larry Steffenhagen (Commander), George Briggs, Dudley and Elzada (front) Erickson, Mary Ann and Walter Rolston, and Cloyce Schultheiss.

The **Harrison Moose Lodge 2235** has made many donations to the local community. A few of the fortunate recipients are:

- S.A.F.E. Group with the funds being used primarily for the new shelter
- Parents of Bronwyn Dibble to help with therapy costs
- Harrison/Farwell Senior Division softball team to participate in the Michigan State Little League tournament last summer
- Harrison Fire Department to purchase three turn-out suits
- United Rescue Service to help purchase four cots for the ambulances
- Clare Gladwin Day School
- Harrison Community Schools for drug awareness education
- Red Cross Mobile Food Pantry to help residents of Clare County

Examples such as these make charitable gaming in Michigan worthwhile. If you have a story to tell about your organization's success, please send it to: Michigan Lottery, Charitable Gaming Division, Attn: HIGHLIGHT\$, P.O. Box 30023, Lansing, MI 48909.

Frequently Asked Questions

Q: How long do we need to keep redeemed charity game tickets?

A: As soon as the paperwork is complete and the money is reconciled, the winning redeemed charity game tickets should be destroyed by tearing, shredding, or burning them. Do not throw them in the trash where they can be recovered and redeemed again!!!

Q: Some prizes were donated for our raffle. Do these need to be reported on the financial statement?

A: Yes—in two places. A *donated* prize is reported as both a revenue and an expense. First of all, a donated prize is an asset that has been acquired, therefore, the retail value of a donated prize must be reported under revenue. Secondly, if a donated prize was awarded, the retail value of that prize is considered an expense and must be logged as a prize. The net result is zero dollars, so it does not alter the net profit.

Raffle Directives

Did you know that the winners of some raffles can be determined by a means other than by a drawing of raffle ticket stubs? Raffle Rule 508(1) states: "An alternative method of determining a winner may be used with the prior written approval of the bureau."

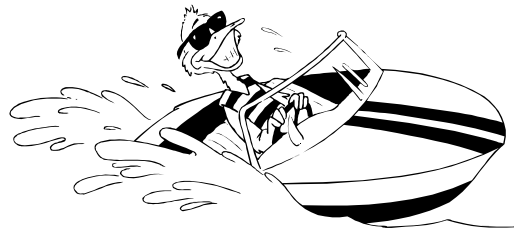
Raffle licensees may use alternative methods for determining the winners of a raffle if they are conducted in accordance with one of three new raffle directives: 5.01.01 Raffle (Duck Race), 5.01.02 Raffle (Animal Determination), and 5.01.03 Raffle (Daily 3/Daily 4). You can visit our Web site at www.michigan.gov/cg to obtain a copy of each directive, or call our forms request line at 517.241.7889.

You still must obtain a license, but raffles conducted in accordance with these directives do not need prior written approval of the bureau to utilize one of these alternative methods. Raffles where the winners are determined by using an alternative method not covered by these directives must still receive prior written approval of the bureau.

Announcing the Arrival of the Raffle Guide

To assist organizations in understanding, applying for, and conducting raffles we created a comprehensive instruction pamphlet called the *Raffle Guide*. This guide is available on our Web site at www.michigan.gov/cg. It is also available by calling our forms request line at 517.241.7889.

The bureau will also include a copy of the *Raffle Guide* with each large and small raffle license issued for the next six months. We hope this guide is a useful tool for those organizations that conduct raffles.



Administrative Actions



SUSPENDED LICENSES

Organization	Violations	Length	Date	License
Dodge City Citizen's Group, Inc. Harrison	Failure to follow program; failure to maintain current and accurate records; failure to account for all funds; conducting unlicensed raffles.	6 weeks	9/23/01	All
Old Kent VFW 830 Grand Rapids	Failure to account for all funds; failure to maintain accurate records.	9 weeks	9/23/01	All
Eagles 4170 White Cloud	Failure to account for all funds; failure to maintain accurate records.	5 weeks	9/30/01	All
Elks 343 Port Huron	Failure to account for all funds; failure to maintain accurate records.	5 weeks	11/11/01	Annual CGT
Moose 2235 Harrison	Failure to account for all funds; failure to maintain accurate records.	6 weeks	11/17/01	Annual CGT
American Legion 42 Charlotte	Failure to account for all funds; failure to maintain accurate records.	5 weeks	11/18/01	Annual CGT
Eagles 3607 Howell	Failure to account for all funds; failure to maintain accurate records.	12 weeks	11/24/01	All
Eagles 4091 Williamston	Failure to account for all funds; failure to maintain accurate records.	12 weeks	12/16/01	All
Tuscola Co. Polish American Club Caro	Failure to account for all funds; worker pay.	6 weeks	1/5/02	All
VFW 8846 North Muskegon	Failure to account for all funds; failure to maintain accurate records.	7 weeks	1/6/02	All
Moose 574 Sturgis	Failure to account for all funds; failure to maintain accurate records.	8 weeks	1/6/02	All
Eagles 3734 Holt/Mason	Failure to account for all funds; failure to maintain accurate records.	4 weeks	1/13/02	All
Moose 2344 Grand Blanc	Failure to account for all funds; illegal pull-tabs; failure to maintain accurate records.	15 weeks	1/13/02	All
St. Mary's Church Flint	Failure to maintain accurate records; failure to account for all bingo cards.	5 weeks	1/20/02	All
St. Raymond Parish Detroit	Failure to maintain accurate records; failure to account for all bingo cards.	2 weeks	1/20/02	Bingo
Eagles 4077 Atlanta	Failure to account for all funds; failure to maintain accurate records.	8 weeks	1/20/02	Annual CGT
American Legion 179 Grandville	Failure to account for all funds; failure to maintain accurate records.	4 weeks	2/10/02	Annual CGT
Eagles 2441 Dowagiac	Failure to account for all funds; failure to maintain accurate records.	6 weeks	2/24/02	All
VFW 4406 Belding	Failure to account for all funds; failure to maintain accurate records.	6 weeks	2/24/02	Annual CGT

Administrative Actions continued



SUSPENDED LICENSES

Organization	Violations	Length	Date	License
Moose 571 Alpena	Failure to account for all funds; failure to maintain accurate records.	3 weeks	2/24/02	All
Delton Athletic Boosters Delton	Failure to account for all sales of bingo cards; failure to account for all bingo cards; failure to maintain accurate records.	2 weeks 2 weeks	3/17/02 4/6/02	Sat. Bingo Sun. Bingo
Eagles 2887 Waterford	Failure to account for all funds; failure to maintain accurate records.	7 weeks 2 weeks	3/17/02 3/17/02	Annual CGT Bingo
American Legion 381 Newaygo	Failure to account for all funds; failure to maintain accurate records.	7 weeks	3/31/02	All
Elks 343 Port Huron	Illegal gambling machines.	1 week	4/14/02	Annual CGT
VOLUNTARY SURRENDER OF LICENSE		Date	License Type	
Flint Catholic Urban Ministries, Flint		10/1/01	Bingo	
St. Michaels Christian Service Commission, Flint		10/1/01	Bingo	
Catholic Social Services of Shiawassee County, Owosso		12/1/01	Bingo	
Eagles 526, Kalamazoo		12/18/01	Annual CGT	
Catholic Social Services of Flint, Flint		3/1/01	Bingo	

Charity Game Ticket Accountability in a Club

Attention chairpersons and recordkeepers! Ticket accountability is just as important as cash accountability. To maximize the ticket accountability at your club, take these steps:

1. As tickets are redeemed, have your workers deface them—preferably in the winning window.
2. Once the workers' ticket sales are reconciled for the day, tear the redeemed tickets completely in half.

Did You Know...

Last year the net profit earned by qualified organizations from licensed large raffles exceeded \$26.8 million. This does not include the net profit realized at licensed small raffles and exempt raffles, because these raffles are not required to report financial results.

CHARITY GAME TICKETS... a great way for your organization to earn extra money!!! For more information, contact your supplier.

